Exporters Entitlement (NQEE) from one year to two years, earmarking certain percentage of annual level for the FCFS System, restricting transfer of entitlements during June—September period to 50% of the entitlements etc.

The Government had carefully considered the representation and also various other representations received regarding various aspects of the quota policy and decided that it is desirable to make changes with regard to two elements of the policy. Accordingly, amendments were issued to the Policy providing for direct transfer of entitlements between the exporters and imposing certain restrictions on transfer of entitlements during June-September period.

Stabilisation of Cotton Yarn Prices

3860. SHRI PRAGADA KOTAIAH : Will the Minister of TEXTILES be pleased to state:

(a) whether representations have been received by the Ministry of Textiles urging for stabilization of cotton yarn prices to be fixed by an Export Committee to be appointed for the purpose and for placing stabilization fund of Rs. 100 crores at the disposal of N.H.D.C. for the purpose of procuring and distributing yarn at stabilized prices to handloom weavers in and outside the cooperatives; and

(b) if so, the action taken thereon ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY) : (a) Yes, Sir.

(b) The National Handloom Development Corporation (NHDC) is provided with assistance by way of share capital for enabling it to supply yarn to handloom weavers. Assistance is also provided under mill-gate price scheme. The NHDC procures and distributes yarn on receipt of specific indents and is not engaged in storage of yarn. The scheme for setting up of Handloom Development Centres has targeted, *inter alia*, to enhance the capital base of the primaries so that they are able to procure larger quantities of yarn and thus give more employment to handloom weavers. In view of these reasons, Government does not propose to create a stabilisation fund of Rs. 100 crores.

Relief to Handloom Weavers.

3861. SHRI PRAGADA KOTAIAH : Will the Minister of TEXTILES be pleased to state :

(a) whether any representation from members of parliament and weavers' cooperative societies have been received by the Prime Minister requesting for immediate relief to millions of handloom weavers in dire distress ;

(b) if so, what are the demands made for their relief; and

(c) the action taken or proposed to be taken to meet their demands in order to provide relief to handloom weavers ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY) : (a) Yes, Sir.

(b) Following are the demands made by the signatories of the representation :—

(i) to suspend the exports of cotton yarn till such time they go down to the level of November, 1993 to help handloom weavers;

(ii) to create a stabiliation fund of Rs. 100 crores to stabilise the prices as suggested by an expert committee and arrange its procurement and distribution by NHDC Lucknow which may be assisted by a committee of handloom weavers in cooperatives for its effective functioning;

(iii) to direct the mills in the cooperative sector and also under the NTC to produce only hank yarn of standard counts; and

(iv) to prosecute the mills which have been deliberately defying the direction of the Government to produce hank yarn to the extent of 50% of their marketable output.

(c) Government has examined the demands made by the representationists. Cotton yarn exports constituted only 10% of the country's total cotton yarn production and thus suspension of cotton yarn exports may not have any perceptible impact on hank yarn prices. The increase in cotton yarn prices in the recent past has

been essentially due to the steep increase in raw-cotton prices. However, hank yarn of counts upto 60s which is the main raw-material used in the handloom sector is not permitted to be exported. Regarding creation of a stabilisation fund of Rs. 100 crores to stabilise the prices of hank yarn it may be stated that the National Handloom Development Corporation (NHDC) is provided with assistance by way of share capital for enabling it to supply yarn to handloom weavers. The NHDC procures and distributes yarn on receipt of specific indents and is not engaged in storage of yarn. The scheme for setting up of Handloom Development Centres has targeted, *inter alia*, to enhance the capital base of the primaries so that they are able to procure larger quantities of yarn and thus give more employment to handloom weavers. In view of these reasons, Government does not propose to create a stabilisation fund of Rs. 100 crores.

Government of India has already issued directives to the spinning mills in the State and Cooperative Sector including NTC to fulfil the Statutory Hank Yarn Obligation.

Office of the Textiles Commissioner has been instructed to lodge FIRs against the mills who are defaulting the Hank Yarn Obligation Order.

Representations for suspension of Cotton Exports

3862. SHRI PRAGADA KOTAIAH : Will the Minister of TEXTILES be pleased to state :

(a) whether representations from handloom weavers have been received to suspend exports of cotton yarn of all counts till the prices go down to the level of November-December, 1993 to help handloom industry which has been hit hard by sky-rocketing prices of yarn used by handlooms;

(b) what were the quantities of cotton yarn exported during 1993;

(c) what were the quantities of cotton yarn exported by all categories of exporters from 1st January, 1994 to 31st March, 1994; and

(d) whether cotton yarn is covered by the Essential Commodities Act, if so, what are the steps taken or proposed to be taken to procure and distribute yarn to handloom weavers in cooperative and corporate bodies and also those in the private sector at reasonable rates.

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY) : (a) There have been representations from handloom and powerloom weavers Associations requesting for suspension of cotton yarn exports with a view to bring down their prices.

(b) and (c) The quantity of cotton yarn exported during 1993 and the period January-March, 1994 is given below :

(Provisional)
(Quantity in Million Kgs.)

	1993	January-March 94
Under Ceiling . .	108·34	36·80
Under Advance Licensing Scheme . . .	23·23	6·32
By 100% EOUs . .	34·37	12·82
	165·94	49·94

(d) Cotton yarn is included in the list of Essential Commodities. With a view to ensure adequate production of hank yarn used in the handloom sector, Government has issued Hank Yarn Packing Notification under the provisions of the Essential Commodities Act requiring each producer of yarn to pack atleast 50% of their marketable yarn in hank form. In addition, Government of India has taken the following measures to make available adequate quantity of hank yarn to handloom weavers at reasonable prices :—

(i) loan assistance for setting up of Weavers Cooperative Spinning Mills for increasing the availability of hank yarn in the handloom sector;

(ii) constitution of State Level Yarn Price Fixation Committees for regulating the prices of yarn produced in the cooperative and state sector mills for supply to handloom weavers;

(iii) National Handloom Development Corporation has been set up with